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SOTHEBY’S, BEWARE

Offering everything from rare books to Lou Gehrig’s jersey, Heritage Auctions under CEO STEVE IVY grows to become the third-largest auction house in the world.
FOR YEARS THE NATION’S TOP CURRENCY AND COIN HOUSE, DALLAS-BASED HERITAGE AUCTIONS HAS USED ITS FOUNDERS’ ENTREPRENEURIAL PROWESS TO DIVERSIFY AND FLOURISH IN RECENT YEARS—PARTLY AT THE EXPENSE OF INDUSTRY GIANTS SOTHEBY’S AND CHRISTIE’S.
A 1939 Detective Comics book sold for $1.075 million. A 1939 copy of a John Wayne movie poster was sold for $745,000. A 1955 Fender Telecaster, used on "Let It Be!" for $434,750. Lexus UX 300e’s "Gene’s Civil War” sword sold for $167,500. Lou Gehrig’s New York Yankees jersey No. 4, the first jersey number ever retired, sold for $1.673 million. Lou Gehrig’s New York Yankees jersey included the name "Babe" on the back. The jersey was sold for $3.7 million. A 1939 Detective Comics book? Sold, for $1,075,000. A 1955 Fender Telecaster sold for $434,750. The actor Nicolas Cage has decided to sell off his vast comic book collection. In 2002, he sold his collection for a total of $3.7 million. His collection was known as one of the largest and most valuable collections in the world. He has sold various items from his collection over the years, including rare comic books and memorabilia. He has been known to advertise his collection on eBay and other online platforms. He has also sold items to private collectors and auction houses. He has been involved in various lawsuits over the years, including a lawsuit over the sale of his comic book collection. He has recently announced that he plans to sell off the remaining items in his collection. The sale is expected to generate millions of dollars. The proceeds from the sale will be used to pay off debts and for personal expenses. He has been named one of the most influential people in the comic book industry. He is known for his contributions to the field, including founding the National Periodicals Foundation and the National Comic Book Association. He has also been involved in various charitable organizations and has donated millions of dollars to various causes. He is widely regarded as one of the most important figures in the comic book industry.
and your website came up, along with another company. I called the other company and they said to take the coins to the post office and put them in a box and mail them to us registered mail. They said, ‘We’ll call you and let you know if you have anything good.’ Then I called you people, and 24 hours later you’re sitting in my living room.”

Bolton says that first major consignment cleared $900,000— and Heritage raked in six figures through the Internet blockbuster. Today, Heritage has 600,000 online subscribers and counting, and Ivy estimates some 8,000 to 8,000 participate in each coin auction. By the end of 2011, Heritage will have conducted about 50 live auctions, half in Dallas and the other half around the country and world. But there will also be another 400 auctions online in 2011 alone.

The standard buyer’s premium is either 15 percent or 20 percent, depending on the category; the standard seller’s fee ranges from 5 to 20 percent. And Heritage collects them both.

Beyond Coins
It was Halperin who first wanted Heritage to branch out into additional areas. In 2001, he pushed to include comic books. Ivy balked. Halperin pushed harder. Finally, Ivy consented— if Halperin would agree to consign a significant portion of his comic collection for Heritage’s first auction. Halperin agreed.

Ivy says Heritage controlled “90 percent of the market share in comics by the early 2000’s, within two or three years” of adding it as a second category. Halperin says he always foresaw the day that Heritage would dabble in numerous collectibles. Steve was Chris Ivy, the company’s sports Memorabilia department in 2003, at age 27. He sold $2 million worth of vintage collectibles in his first auction. And this calendar year, his dad says Heritage Sports is on track again to realize almost $15 million— “far and away the most of any of our companies in this category.”

The company now has 33 fields of high-quality expertise. Each has required its own authorities, and Ivy and Halperin pursued the very best they could find. Asked what led him to use Heritage to sell his antique items, the dinosaur guru Galiano says, “I’ve known [Heritage natural history expert] David Herskowitz for many years, and I know his reputation.”

Ivy concedes, “Ten years ago I didn’t know we’d be selling 90 percent of the stuff we sell. We were the biggest company by then, but I had no expectations of selling, you know. dinosaurs. We were used to dealing with things that all fit nicely in a relatively small room. Now we’re dealing in things that require us to use 18-wheelers just to get from one place to another.”

Heritage pulled off a major coup in 2005 by hiring Ted Pillsbury, a darling of the international art scene, as director of its fine art department. Before pursuing other endeavors, Pillsbury had been director of Fort Worth’s Kimbell Art Museum from 1980-1998, when the Kimbell gained world recognition, thanks in large part to Pillsbury’s impressive acquisition of European masterworks for the Kimbell’s permanent collection.

Then, shockingly, in March 2010, Pillsbury was found dead, at age 66, beside his car on a country road near Interstate 20 in Kaufman County. Mystery shrouded his death as the Kaufman sheriff’s office waited several days before determining that Pillsbury had died of a self-inflicted bullet wound. “It was a total shock,” Ivy says. “Ted was one of those guys who, if anything, had high self-esteem. He was very gregarious and temperamental sometimes, as those kind of experts tend to be. He put Kimbell on the map. Outside of New York City, in terms of the art world, he was generally considered at the top of the food chain.”

This year, Pillsbury’s estate has used Heritage to auction more than 250 works from his private collection, which suggests a harmonious relationship has remained between Heritage and the Pillsbury family.

Perils and Perks
Heritage does not thrive in a land of $50 deals, even as Rohan concedes, “Everyone thinks they have the Hope Diamond, which usually they have hope.” The very nature of the auction business is fraught with proprietary issues and legal challenges, and Heritage has dealt with a few.

One of the most widely publicized came in 2006, when a Civil War memorabilia dealer sued Heritage for violating several Texas state laws. Heritage strenuously denied the claims and the suit was dismissed, with prejudice, and reminded to arbitration.

“We do business with about 400,000 people a year, consignors and buyers,” Ivy says. “Consider- ing that, we deal with very few complaints. It’s not any different from the attorneys or lawyers or doctors. Integrity is huge in the auction business. We are by far the most transparent auction company in the country. We publicize all our reserves, every item we’ve ever sold is listed on the website.”

These days, Heritage includes five other partners who participate in daily decision-making. Paul Minshull, the CEO since 1994, joined in 1994. Marc Emory, who made the move from Boston with Halperin, oversees the European operations. Ryan Carroll is the head coin trader, Todd Imhof is executive vice president, and Cristiano Bierenbach is executive vice president of International Numismatics, its newest addition.

Of their 385 employees worldwide, about 350 work out of the company’s Maple Avenue head-quarters. Heritage takes up four floors totaling 80,000 square feet of space, not including the first-floor auction room. The company’s main lobby, on the 17th floor, includes at least five visible overlook overhead cameras, and the two receptionist offices work behind a completely glassed-in area.

Heritage operates its own security system full-time, watching over every foot of every floor. Many employees only have access to the break room and their own areas of expertise. The most recent items not stored in one of a half-dozen vaults, or

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